



BIG MOUNTAIN SEWER DISTRICT

PO Box 1252
Whitefish, Montana 59937

Board of Directors Meeting September 22, 2020 9:00 am Northern Lights Conference Room, Kandahar Lodge

1. CALL TO ORDER

President Sato called the meeting to order at 9:04 a.m. Present along with President Jennifer Sato were board members Sandie Carpenter, Brad Kincaid, and Dave Ruoff, Jason Hanchett, Maintenance Manager and Leslie Bales, Administrative Manager. Board member Bob Lund was ABSENT.

2. INTRODUCTIONS

There were no visitors, or associates present at this meeting.

3. PUBLIC COMMENT

There were no comments from the public at this meeting.

4. PRESENTATIONS

There were no presentations at this meeting.

5. REVIEW OF MINUTES

a. June 16, 2020

The minutes of the June 16, 2020 meeting were approved upon motion by Carpenter, second by Ruoff. Motion carried with Carpenter, Kincaid, Ruoff, and Sato voting in favor, Lund was ABSENT.

b. *June 29, 2020

i. Resolution 20-3 FY2020 Budget Amendment

ii. Resolution 20-4 Intent to Modify Sewer Rates

The minutes of the June 29, 2020 meeting were approved upon motion by Carpenter, second by Ruoff. Motion carried with Carpenter, Kincaid, Ruoff, and Sato voting in favor, Lund was ABSENT.

c. August 11, 2020

i. Resolution 21-1 Sewer Rates – Modify Rates and Charges

The minutes of the August 11, 2020 meeting were approved upon motion by Carpenter, second by Ruoff. Motion carried with Carpenter, Kincaid, Ruoff, and Sato voting in favor, Lund was ABSENT.

6. FINANCIAL REVIEW

a. Balance Sheet

Kincaid questioned the numbers on the Balance Sheet, Bales will review and report back to the Board.

b. Income Statement

- c. Cash Flow
- d. City of Whitefish Usage/Fees
- e. Check Register
- f. YTD Tax Revenues

Administrative Manager Bales reported along with the regular financials she has added a new report for the Board's information. YTD Tax Revenues received will be shown monthly for the Board's review. Bales explained the yearly taxes are received monthly, and typically each fiscal year has revenues from at least two years if not more. Investment earnings and penalties and interest are also shown.

Kincaid made motion to accept the financials, asking for a corrected Balance Sheet, second by Carpenter. Motion carried with all ayes, and Lund ABSENT.

7. OLD BUSINESS

Big Mountain Sewer District Budget for FY 20-21".

President Sato read Resolution 21-2 – "Adopting Big Mountain Sewer District Budget for FY 20-21". Bales reported there had been two changes to the budget the Board had approved earlier, explaining \$1700 was added to 5071 Line Maintenance Expense for the annual fee for the Communications per Hanchett, and \$58,265 was added under Grant Application Expenses using numbers from the Project Budget by Paul Montgomery for costs we will incur when we receive grant funds. We may not expend all of these monies, but better to have it budgeted. These changes increase the final budget for FY21 to \$542,571. Kincaid made motion to approve Resolution 21-2 "Adopting Big Mountain Sewer District Budget for FY 20-21", second by Carpenter. Motion carried with Kincaid, Ruoff, Carpenter, and Sato voting in favor, and Lund ABSENT.

b. Tax Assessment Update – Total for FY2021 is \$555,593

Bales reported the Tax Roll for BMSD has been submitted, accepted, and accepted by Flathead County. There were a couple small changes, which were with the BMSD Board earlier and the total assessed for FY21 is \$555,593. Discussion of duplex properties followed, and this will be reviewed again prior to FY2022 tax assessments. Bales continued tax bills will be sent out in November and we will start receiving revenues in December 2020.

Bales updated the Board that 740 letters were sent out regarding assessments, and we had 29 letters returned to us. Carpenter worked very hard on the first 17 returned letters trying to get correct mailing addresses. Bales thanked Carpenter for all her help. Just to be clear – we have met the requirements of the law, we have created our mailing list using the combination of the GIS site for each assessor number along with the Big Mountain Water company sharing their mailing addresses for those properties that are developed and receive a water bill. This is less than 4% of the letters returned to us. Bales spoke with Rhona from Big Mountain Fire District and we are going to work together next year on the mailing lists, hoping to get even less returned letters.

c. 3872 Winter Lane Update (Goodwin project).

Hanchett reported this project has been completed.

d. 3864 Gelande Street Update/Whitefish Mountain Cabins (Edson project)

Hanchett reported on the email update from Edson's engineer, Andy Evensen, updating their plan due to having to install a new sewer main. The plan changes from adding a new manhole, to connecting the new sewer line to an existing manhole. Hanchett continued that Dept. of Environmental Quality has given approval of the new plan. Discussion followed regarding our next step. Hanchett will reach out and ask for a completion date, with the Board agreeing this project has been ongoing for long enough and it is time to get it completed. Ruoff suggested BMSD could reach out to DEQ for assistance if it doesn't get completed in a timely manner.

e. Grant Application Update

Bales shared the update on the TSEP and DNRC grant applications sent by Paul Montgomery. Montgomery contacted both TSEP and DNRC and both programs are still in the review process.

Montgomery also reported he is reviewing the CCTV inspections completed this spring to help locate the Inflow and Infiltration – about halfway through review – stating he has found some easily identifiable points of infiltration, but has not yet found I&I that accounts for the high flows we are seeing at the Village or East Lake Shore flow meters. Montgomery will keep the Board updated.

f. Asset Program Update

Bales reported she reached out to Dan Kramer, received the spreadsheet from him, and then called and visited with Tana Doyle, our auditor. Bales reported our assets were sent in our current asset format, and Doyle and she will discuss any changes Doyle suggests during the audit process.

g. Audit Status

Bales reported the list of documents requested by Tana Doyle have been submitted, and she will be ready to work with Doyle as she works through our audit.

h. Record Retention Update

Bales reported she planned to get to storage to check and make sure nothing has changed, but did not get there prior to meeting. Bales reported unless something had changed the storage was well organized, there was still room for growth, and let's leave as is for now. The Board concurred with this recommendation.

i. Administrative Position

Bales reported she would be willing to stay on as the Administrative Manager at the current wage with a few other considerations. Discussion followed regarding changing the March meeting to February to accommodate Bales vacation, ability to ask Doyle for assistance on setting up books for grant management, and minimizing the number of possible meetings. Bales stated the current Board has been a pleasure to work with. Discussion followed. Ruoff made motion to retain Leslie Bales as the Administrative Manager for Big Mountain Sewer District at the current salary, with ability to confer with Doyle regarding grant administration. Motion passed by 10-0.

Ruoff and Sato voting in favor and Lund ABSENT. Kincaid asked if Bales has Errors and Omissions insurance. Bales will pursue.

j. Board Reference Materials Update

Ruoff reported on the materials he has put together for the history of BMSD with discussion following. Ruoff will organize – and bring back to December meeting, after the Board has had a chance to review structure Ruoff will have Paper Chase scan the materials, and save documents to zip drives for all the Board members. One manual may be put together to give new board members to review, along with their copy of the zip drive. A copy of the zip drive will also be taken to our safe deposit box at Whitefish Credit Union.

k. Insurance Update

Ruoff reported he had looked into the Flathead County Co-Op, and discussed with Tana Doyle what our insurance needs are. Discussion followed with the Board wanting to make sure the BMSD funds are all secured and insured.

l. Upcoming Rates for FY21-22 Discussion

Sato read the January 2020 motion regarding the suggested rate structure, and commented this did not include the months to be used for usage calculation. Discussion followed with the Board requesting Bales prepare the data for usage for several back years. Compile the data in two ways – 1) October through April usage, and then 2) December through April usage. The Rate Study for FY22 will be on the agenda for discussion at the December meeting.

8. NEW BUSINESS

a. Maintenance Update – Jason Hanchett

Hanchett reported they are continuing with routine monitoring and they are monitoring the lift stations like normal. Pick holes have been plugged, and we do have one manhole lowering project that has been started up near Ed & Mully's with the plan to complete this project prior to winter. Hanchett reported that CIP Construction has been on site and sealed the interior of the manholes. We are also scheduled with A-1 Sanitation for routine fall cleaning and jetting along with cleaning manholes. Hanchett continued we will save camera work for the spring. Generator Maintenance Company will complete the routine annual maintenance for the lift stations. Hanchett shared the Base Lodge Pump is on site and will be installed the 14th of October, after the lift stations have been cleaned. Hanchett reported this means all the pumps are new within the last four years, with Jumping Rainbow having one new pump. The Board thanked Hanchett. Hanchett stated he is very interested in seeing Montgomery's report after he finishes reviewing the camera work on all the lines.

b. Set next Meeting –

The Board set their next two meetings –

Tuesday, December 8, 2020 9:00 a.m. Kandahar Lodge

Tuesday, February 9, 2021 9:00 a.m. Kandahar Lodge

c. Plant Investment Fees

Sato reported we have two properties – 330 Northern Lights Drive and 1148 Glades Drive that have not yet paid their plant investment fees. Sato continued that in the BMSD by-laws a property owner must request approval from BMSD to connect or BMSD can charge an additional 50%. Discussion of the planning, building process followed with Hanchett reporting most properties must have design review process, and maybe we could add something to process to get accurate owner information on the application? Jason said a lot of the time he only gets the contractor information and we don't have the owner contact information. Bales will revise form to include contact

information for the property owner and Hanchett will work with the design review board. Discussion continued on building instructions, how to contact owners, etc. Hanchett explained how he calculates our PIF's. Kincaid made motion to approve the plant investment fees for:

1. 51 Glades Crescent, Lot #3/Nicholson \$7025.96
2. 161 Polar Star Dr, Lot #25/Orr \$11,224.93
3. 320 Elk Highlands Dr, Lot #16/Danna \$6188.95
4. 178 Inspiration Loop, Lot #1 Unit A/Neilson, Sunshine, Muhlfeld \$6896.99
5. 182 Inspiration Loop, Lot #2 Unit B/Neilson, Sunshine, Muhlfeld \$6896.99

And,

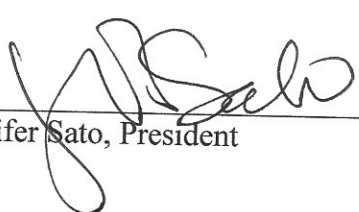
6. 149 Inspiration Loop, Lot #7 Unit A/Coyle \$5,673.10
7. 145 Inspiration Loop, Lot #8 Unit B/Coyle \$5,673.10
8. 251 Moose Run Drive, Lot 8T/Fleischman \$10,678.46
9. 259 Moose Run Drive, Lot 9T/Fleischman \$10,678.46.

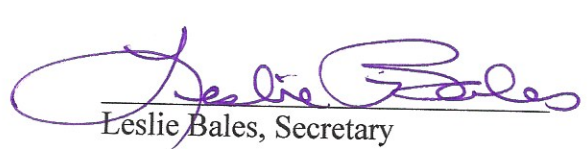
Motion was seconded by Carpenter. Motion carried with Kincaid, Carpenter, Ruoff and Sato voting in favor, and with Lund ABSENT.

10. INFORMATIONAL CORRESPONDENCE (available for review from Administrative Manager)

- a. Montana Rural Water – ballot to adopt budget
- b. DNRC Grant Authorization Statement & Resolution
- c. Northern Lights West Phase #3 – 4/16/2020 – DEQ to Carver Engineering Water & Sewer Main Extensions and PWS Booster Pump Station EQ# 20-1554 Approval
- d. Centurylink – payment inquiry (due to no Admin Mgr our payment was late)
- e. Letter from Paul Montgomery to Robert Lund 4/29/2020 – enclosed 2 copies of Preliminary Engineering Report for the Wastewater Collection System Improvements Project 2020 (letter only, no report)
- f. Dept of Natural Resources & Conservation to Robert Lund 6/15/2020 re: BMSD Wastewater Improvements – RRGL grant application received by 6/1/2020 deadline
- g. Dept of Natural Resources & Conservation to Robert Lund 6/18/2020 re: BMSD Wastewater Improvements – RRGL grant application received by 6/1/2020 deadline
- h. Montana Rural Water Systems 2020 Spring-Summer Edition of Newsletter
- i. Whitefish Credit Union – 2020 Annual Meeting Notice
- j. Pipeline Awareness Newsletter

Meeting adjourned at 10:27 p.m.


Jennifer Sato, President


Leslie Bales, Secretary